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ABSTRACT

This guide is intended to be a first-time, general introduction to employee involvement for trade unionists--local leaders, stewards, and rank-and-file members. It makes no attempt to be comprehensive, but instead raises the major issues concerning employee involvement framed in trade union terms. Part I looks at the kinds of employee involvement programs that exist in the United States. The history of employee involvement is discussed in Part II. Part III looks at three different models of employee involvement in Japan, Germany, and Sweden. Its popularity is addressed in Part IV. Part V considers ways that programs become established in unionized workplaces. Part VI discusses how the implementation of an employee involvement program will affect the local. In Part VII, ways to safeguard the union and ensure that the program serves the members' interests are suggested. Part VIII considers the alternatives to strong union involvement in the initial stages of the program. Part IX describes what can be expected the first year of the program. Part X, Conclusions, is followed by a listing of resources. (YLB)

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A UNION MEMBER'S GUIDE TO EMPLOYEE INVOLVEMENT

by

Tom Juravich
and
Howard Harris

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INTRODUCTION

In the last decade we have witnessed an explosion in a wide variety of programs which can be considered under the general concept of Employee Involvement. If present trends continue, a significant majority of American workers, many of them union members, will encounter some form of Employee Involvement in their workplace.

With the popularity of Quality Circles, Quality of Worklife, and other such programs, we have also seen a significant increase in the materials written about Employee Involvement. Although large numbers of these programs take place in unionized settings, few materials are of practical help to trade unionists. This is especially true for local leaders, stewards, and rank-and-file members facing Employee Involvement for the first time in their workplace.

A Union Member's Guide... was written with this in mind. It is intended to be a first time, general introduction to Employee Involvement for trade unionists. It makes no attempt to be comprehensive, but instead raises the major issues concerning Employee involvement framed in trade union terms. For if trade unionists decide to become involved, they will need to do so from an informed basis, fully aware of the relationship between their union and Employee Involvement.

The authors would like to thank Judy Heh, Secretary-Treasurer of the Pennsylvania AFL-CIO, and the federation's education committee for their assistance in obtaining supporting funds from the MILRITE Council of the Commonwealth of Pennsylvania. In addition, the comments of Bruce Nissen and Charles Micallef were extremely helpful. We would also like to acknowledge Jean Grimes, who aided in the preparation of the manuscript, and Gilbert Gall, editor of the department's publication series, who assisted in the editing, layout, and design of the *Guide*.

PART I:

WE'VE BEEN HEARING MORE AND MORE ABOUT EMPLOYEE INVOLVEMENT. WHAT KINDS OF PROGRAMS EXIST IN THE UNITED STATES?

There are almost as many different types of programs in operation in the U.S. today as there are individual work sites and collective bargaining agreements. For example, you have:

Labor-Management Participation Teams (LMPT)
Employee Participation Circles
Union-Management Forum
Quality Awareness Teams
Program for Employee Participation (PEP)
Labor-Management Action Groups (LMAG)
Study Action Teams

While the names vary from place to place, programs can generally be placed in one of four categories. Many Employee Involvement efforts are actually hybrids, combining features of two or more different types of programs.

QUALITY CIRCLES (QC)

Quality Circles are small, shop floor problem-solving groups composed of hourly employees and supervisors. Based in specific departments or work areas, they usually focus on questions of product quality. In the typical quality circle, a foreman or other first line supervisor meets with a group of workers every week or every two weeks, usually during working hours. The agenda is open ended, although the group's discussions are directed towards immediate problems in their particular work area. Circle participants receive training in problem-solving techniques and statistical methods as well as in basic group dynamics. Upon completion of

their training, group members are encouraged to analyze all aspects of production, including scrap rates, machine breakdown, safety problems and even employee absenteeism. Group members discuss the issues in their regular meetings and develop suggestions to correct the situation. Group leaders forward the suggestions to the appropriate management personnel.

Quality Circles are found in both union and non-union facilities. In some organized work sites, joint labor-management committees oversee the operation of the circles, and union stewards play an official role in group meetings. In others, the union adopts the position of interested bystander. As long as they do not violate any aspect of the collective bargaining agreement, company officials can unilaterally establish Q.C.'s in a unionized shop without the active involvement of local officials.

In most organizations circles do not have the authority to actually correct the problems they discover. Management retains the right to decide which suggestions it will act upon and who will

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Members of QC's have no power to implement ideas directly . . . They present them to the person in charge of the operation involved, usually a middle-level manager, who is free to accept or reject the recommendations.

Mitchell Marks, *The Question of Quality Circles*

---

make the appropriate changes. Unless Q.C.'s are linked with other sorts of programs such as profit sharing, the level of involvement and interest usually decreases over time, especially if management shows any reluctance to implement significant proposals for change.

Quality Circles are probably the most common form of labor-management cooperation in operation today and differ widely. They can be found in the unionized work sites of such major corporations as Xerox, Lockheed, and Westinghouse as well as in numerous smaller facilities. On the Federal level, Circles have been established in the departments of the Army, Navy, Air Force, Labor and Interior, as well as in NASA, the Veterans Administration and the Small Business Administration. Non-union employers such as IBM and Hewlett-Packard make extensive use of Quality Circles. QCs were also used to defeat an organizing drive at a Johnson and Johnson plant in New Mexico.

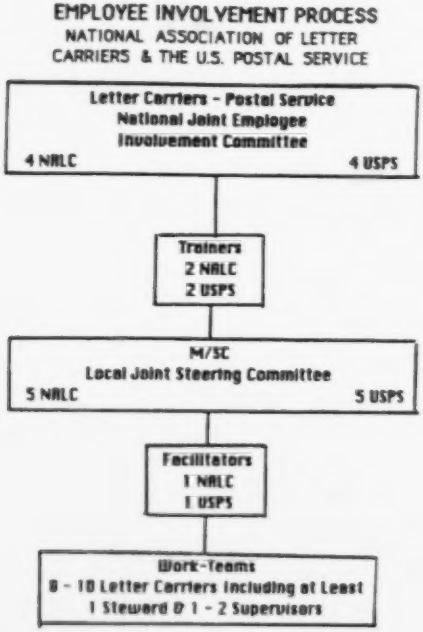
QUALITY OF WORKLIFE (QWL)

Quality of Worklife programs demand much higher levels of involvement from both hourly and supervisory employees than do Quality Circles. The cornerstone of typical QWL efforts are joint teams of hourly and management employees. After undergoing extensive training in problem-solving techniques and interpersonal relationships, teams analyze various work place problems and come up with ways to correct them. The issues they deal with range from the color of rest rooms to the installation of equipment costing hundreds of thousands of dollars. In contrast to Quality Circles which do not generally assume direct responsibility for correcting problems, QWL teams often develop and implement the necessary changes on their own, with management approval.

Joint labor-management participation on all levels represents the foundation of QWL. A steering committee composed of equal numbers of workers and supervisors oversees the training and operation of the various teams. They usually hire outside consultants to help in the developmental stages of a program. In many cases the steering committee will select a certain number of hourly and salary employees to serve as facilitators. In addition to actually conducting the training for team members, facilitators often assume the responsibility for the day-to-day operations of a QWL program.

In unionized work places, local officials may serve on the steering committees while stewards often join departmental teams. Given the open-ended nature of most QWL programs, teams often find themselves getting involved in issues covered by their contract.

It is up to union officials and members to guarantee that changes proposed by people involved in QWL do not infringe on the collective bargaining agreement.



Wide-ranging private sector Quality of Worklife programs were established between major unions and employers in steel, auto, telephone and airline industries through nationally negotiated agreements. A similar public sector program was set up by the National Association of Letter Carriers and the U.S. Postal Service. Proctor and Gamble and TRW have used Quality of Worklife programs to keep new plants union-free even as they have closed older, unionized facilities.

GAIN SHARING

Gain or productivity sharing combines elements of QC or QWL with traditional incentive payment plans. As with the other programs, they exist in both union and non-union companies. Since gain sharing involves issues of production and compensation, local officials assume active roles when they are introduced into organized plants.

Scanlon Plans and Rucker Plans are the most widely used. A Scanlon Plan includes an employee suggestion system, a network of labor-management committees and a plant-wide bonus formula. Rucker Plans generally include bonuses and suggestion systems but generally leave out work place committees.

The Scanlon Plan is based upon the premise that management must accept the fact of a union organization if the plan is to work . . . Not only are union conditions observed but because of the employees sharing in the fruits of lower costs or increased output, they receive as a bonus amounts varying from 6% to 70% on top of the union established wage rates.

Clinton Golden,USWA, 1952

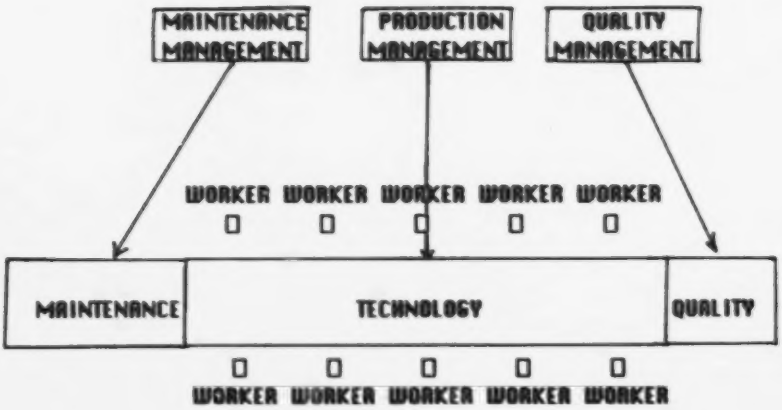
Productivity sharing operates on a simple principle. Greater profitability due to reductions in production costs should be shared by both the organization and the individuals who make those gains possible. Hourly employees and management personnel work together to find ways to reduce costs while increasing product quality. A formula is devised which *should* take into account all production costs and realistic profit margins. If costs in any particular period fall below a certain level, the accumulated savings are used for limited capital expenditures and for bonuses to both blue collar and white collar employees.

The implementation and actual terms of gainsharing plans in unionized plants are usually determined through collective bargaining. In most cases all employees must give their approval before a plan goes into operation. To date, formal productivity plans have gained only limited acceptance, primarily in plants of less than 500 people. Major exceptions include the Dana Corporation which uses Scanlon plans in all of its production facilities and Goodyear Tire and Rubber which has a plan in its Gadsen, Alabama plant.

SELF-MANAGING WORK TEAMS (SMWT)

Rooted in Scandinavian experiments with greater employee involvement, Self-Managing Work Teams have only been recently introduced into the United States. Experts see them as a natural

STRUCTURE OF AN AUTONOMOUS
WORK GROUP AT PROCTER & GAMBLE



[A team of workers takes responsibility for all aspects of work including maintenance and quality control. Management's function is to provide the team with necessary resources.]

outgrowth of QC and QWL efforts and as a major, new innovation in labor-management relations. A small group of workers are given total responsibility for the operation of their particular work site. In addition to organizing the pace of work and maintenance, they assume direct responsibility for the scheduling, hiring and disciplining of team members. In some cases they develop and oversee their own budgets.

Members of Self-Managing Work Teams are cross-trained to do a variety of tasks, eliminating the need for job classifications. Pay is usually based on levels of skill. There are no automatic raises; pay increases are determined by performance evaluations and the acquisition of new job skills. Additional compensation derives from team bonuses based on productivity. Since teams elect their own leaders, there is little need for first line supervisors. Mid-level managers guarantee that the teams have the necessary equipment, materials, and personnel to operate efficiently.

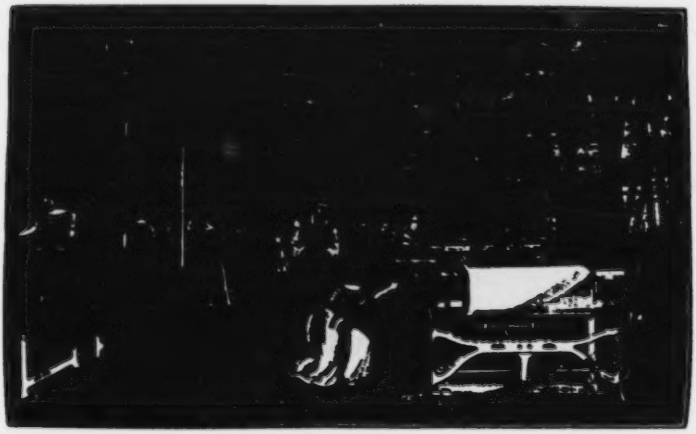
The majority of SMWT projects are in non-union sites. Major efforts are currently underway in Digital Equipment's Enfield, Connecticut plant and at American Transtech of Jackonsville, Florida as well as in many Proctor and Gamble plants. Some tentative programs are operating in organized facilities although advocates generally argue that there is little need for unions where truly effective SMWT are in existence. This theory will will be tested at G. M.'s Saturn plant which will be unionized and will heavily rely on work teams to produce its cars.

PART II:

EMPLOYEE INVOLVEMENT SOUNDS LIKE IT MIGHT BE A GOOD IDEA. WHY DIDN'T SOMEONE THINK OF IT SOONER?

At various points in American history, working men and women took major responsibility for the organization of work on the shop floor. In colonial times, five to ten apprentices, journeymen and master craftsmen labored side by side, turning out finished goods by hand. As long as they produced a certain amount of goods each week, apprentices and journeymen were free to decide how and when they would work. While sharp conflicts did develop over the prices that masters were willing to pay workers, a general sense of working together existed in the early shops.

As the United States expanded in the nineteenth century, the development of machines powered by water or steam made it possible to move production into large mills and workshops. Factories employing first hundreds, then thousands of workers, replaced artisan shops. Engineers, superintendents and foremen made many of the decisions previously made by skilled workers. Where possible, skilled workers were replaced by unskilled machine operators.



Inside the mill.

The typical factory was run like the Army; supervisors gave orders and workers were supposed to follow them without question. Workers responded by setting informal quotas on production or by negotiating tough work rules in union contracts.

In order to minimize the amount of workers' control in the factory system, engineer Frederick W. Taylor developed his plan for "scientific management" in the early 1900's. After studying the way different workers performed jobs, Taylor developed the most efficient method for accomplishing a specific task. Based on this information, management would set production standards, rewarding workers with bonuses if they achieved those goals. Taylorism centralized all control of production into the hands of management. Working men and women had only two responsibilities: "do your job and collect your pay."

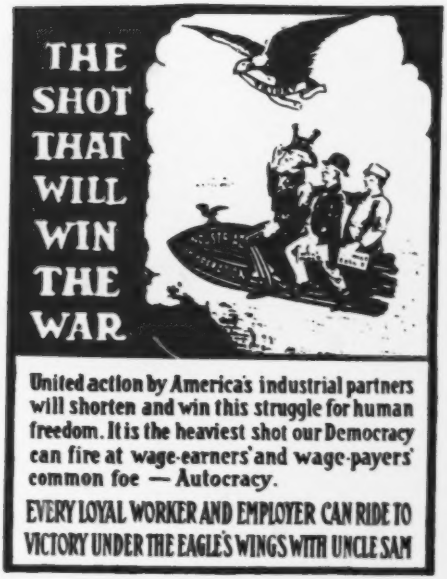
Some employers found that this top-down approach did not work and turned to their employees for input on ways to improve production.

- in 1904 the Nernst Lamp Company of Pittsburgh improved sales 800 percent in 18 months after instituting a system of shop councils.

- the Nelson Valve Company of Philadelphia established an industrial congress composed of labor and management representatives that formulated proposals for improving product quality and working conditions.

- in the early 1900's garment manufacturer Hart, Schaffner and Marx, Packard Piano Company, The Printz-Biederman Company, and White Motor Company all set up various kinds of democratic, worker-participation plans.

Most of these efforts lasted only short periods of time; changes in corporate policy or structure led to their termination.


THE SHOT THAT WILL WIN THE WAR
United action by America's industrial partners will shorten and win this struggle for human freedom. It is the heaviest shot our Democracy can fire at wage-earners' and wage-payers' common foe — Autocracy.
EVERY LOYAL WORKER AND EMPLOYER CAN RIDE TO VICTORY UNDER THE EAGLE'S WINGS WITH UNCLE SAM

During World War I the War Labor Board ordered major companies such as General Electric and Bethlehem Steel to establish "shop councils" composed of hourly employees. These councils were to meet with management to discuss such issues as productivity, working conditions, and the recreational needs of workers. While the councils met with some success, the companies eliminated them as soon as the war was over.

"Employee representation" plans were established in the 1920's to prevent unionization rather than to give their employees any meaningful say in the process of production. Most firms continued to operate as they had before the war, leaving all decision making to management.

The B & O Railroad was one major exception to this trend. In 1923 it came to an agreement with the Machinists' Union to set up a shop committee plan. The committees were to deal strictly with improving work and product quality. According to one observer:

"The men became very active in observing opportunities for improvements, working out practical suggestions and presenting them at their local union meetings for submission to shop management."

The plan worked so well that management accepted 83 percent of labor's suggestions by 1927. Disagreements eventually developed over the sharing of profits that resulted from increased output, and many middle-level supervisors objected to the access the committees had to top management. By the 1930's, the railroads gradually lost interest in such plans.

During the Great Depression of the 1930's, new ideas about increased worker involvement developed. Joseph Scanlon, an accountant, and Clinton Golden, of the Steelworkers Organizing Committee, came up with a plan to save a small nearly bankrupt steel company by asking the workers to suggest ways to increase output and improve efficiency in exchange for a share of company profits. Committees comprised of labor and management representatives in each department developed suggestions which were forwarded to top management for approval. Seventy five per cent of all financial gains resulting from committee suggestions were distributed on a regular basis to all but top management personnel. Although the plan proved highly successful, only a limited number of companies put them into practice.

Taylorism centralized all control of production into the hands of management. Working men and women had only two responsibilities: "Do your job and collect your pay."

With Scanlon Plans in mind, CIO President, Philip Murray, proposed a bold plan of industrial reorganization in the early 1940's. In addition to calling for full labor-management cooperation on the shop floor, Murray envisioned unions and companies working together in "Industry Councils" on the national level to improve productivity and efficiency.

World War II provided the perfect opportunity to implement the Murray plan. Walter Reuther, president of the United Auto Workers' union, suggested modifying the Industry Councils to include the establishment of small groups of workers to reorganize shop floor production. The War Production Board failed to support the Murray-Reuther suggestions. Instead it called for voluntary labor-management cooperation. While many committees were formed during the war, in most cases management refused to let them have any serious input into how work was carried out.

After the war, neither labor nor industry showed any interest in expanding shop floor decision making. Through the 1960's, America dominated the world economy. As long as their unions continued to negotiate decent settlements, most wage earners

did not question the authority of management over what happened on the shop floor. It was only with the deterioration of the U.S. economy in the 1970's and 1980's that both workers and managers began to show renewed interest in the question of greater employee involvement.

PART III:

DON'T WORKERS IN OTHER COUNTRIES HAVE MORE OF A SAY IN THE DAILY OPERATION OF THEIR WORKPLACES? IF SO, WHAT CAN WE LEARN FROM THEIR EXPERIENCES?

In many European countries and Japan, workers have considerable input into the everyday operation of their factories and offices. The extent of their involvement varies from country to country. We can look at three different models to get a better idea of the range of possible alternatives available to working men and women in the United States.

JAPAN

When American employers look for examples of Employee Involvement, they always refer to Japan. That nation's dramatic economic growth in the 1970s and 1980s is attributed, in large part, to the atmosphere of cooperation and respect between workers and employers in its major industries. Workers, in this view, pledge their complete allegiance to their respective firms in exchange for lifetime employment, regular wage increases and a wide variety of fringe benefits. Loyalty to one's company is equated with loyalty to the nation since Japan's very economic survival depends on the ability of its corporation to compete successfully in world markets.

Quality Circles are identified as a major ingredient in the Japanese success story. In the years after World War II, "Made in Japan," meant cheap, shoddy, inferior goods. In a major effort to become more competitive, Japanese employers adopted the theories of William Demming, an American manufacturing specialist, who emphasized the need for strict quality control throughout all stages of production. Ichiro Ishikawa, an engineer, developed a plan to achieve Demming's goal through the establishment of small groups of wage-earners and supervisors who would find ways to reduce costs while improving product quality.

The typical Quality Circle in Japan consists of between twenty and thirty employees from the same department. At Matsushita Electric Company circles meet once a week for about thirty minutes at the end of the day. Since participation in Q. C.s is "voluntary", workers are not paid for attending the meetings.

Members receive some training in statistics and problem-solving techniques, although the level and extent of training varies from firm to firm. The major purpose of the circles is to find ways to streamline production and reduce mistakes. They devise methods of correcting problems and then undertake the responsibility of implementing specific changes. Matshushita give special recognition and prizes to the groups making the best suggestions.

The Principles, Values, and Beliefs of Matsushita Electronics

BASIC BUSINESS PRINCIPLES

To recognize our responsibilities as industrialists, to foster progress, to promote the general welfare of society, and to devote ourselves to the further development of world culture.

EMPLOYEES CREED

Progress and development can be realized only through the combined efforts and cooperation of each member of our Company. Each of us, therefore, shall keep this idea constantly in mind as we devote ourselves to the continuous improvement of our Company.

THE SEVEN "SPIRITUAL" VALUES

1) National Service Through Industry
2) Fairness
3) Harmony and Cooperation
4) Struggle for Betterment
5) Courtesy and Humility
6) Adjustment and Assimilation

While Quality Circles have clearly contributed to Japan's recent economic success, their positive image does not always correspond to the reality of the Japanese industrial production system. QCs exist in the country's major unionized industries which employ about 30 percent of all wage-earners. While these workers do receive extensive benefits, the remaining 70 percent of the workforce labors in unorganized small and medium sized firms that offer low wages, no benefits or employment security of any kind. They smaller companies often hire men from major corporations who are forced to retire by the time they reach 60. They also hire women who want to return to the job market after raising their

children. Even though many of these women worked for major corporations at one time, they are usually not rehired by their previous employers.

There are also problems within the Quality Circles themselves. Although participation is "voluntary", considerable pressure is placed on workers to join Circles. Although most of the firms with Q. C.s are organized, union officials, especially in companies such as Nissan, believe that loyalty to their company rather than to their members is their first priority.

Ultimately the fate of Quality Circles in Japan will rest on the nation's ability to deal with growing competition from other Asian companies. More and more companies are finding it impossible to guarantee lifetime employment for their workers. For the first time in recent history, large corporations are shutting down plants and laying off employees. If the trend continues, employers may find their workers far less loyal and cooperative than in the past.

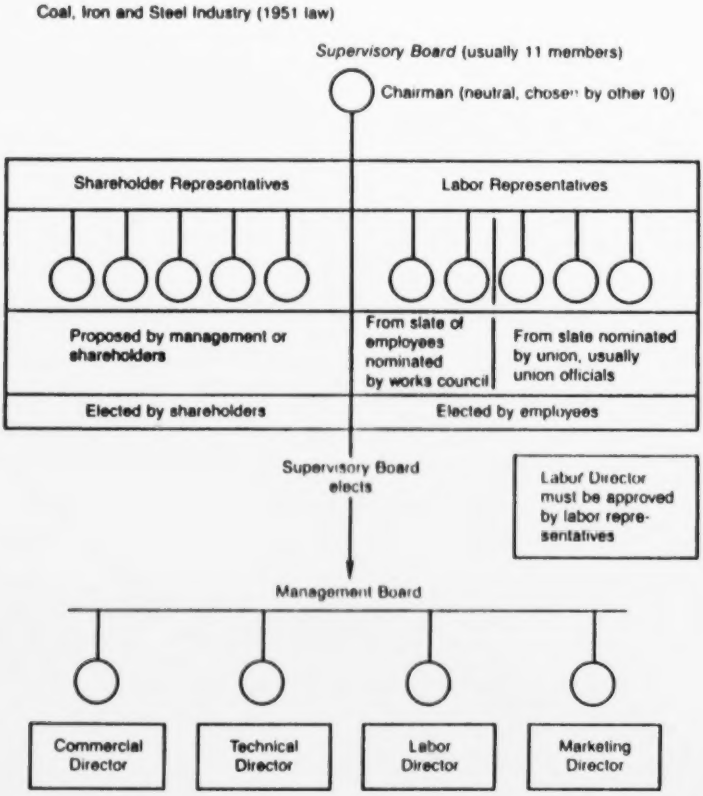
GERMANY

Unlike Employee Involvement in Japan, labor-management cooperation in Germany is rooted in the desire to increase the democratic rights of wage-earners in the workplace rather than in the need to increase productivity and profitability. Two laws passed after World War II, the Codetermination Act of 1951 and the Works Constitution Act of 1952, provide the framework for worker participation in German industry.

Under the original Codetermination Act, coal, iron and steel companies employing more than 1,000 people must have an equal number of labor and shareholder representatives on their part-time supervisory boards. These boards deal with long range economic and personnel issues and appoint full-time management boards which take responsibility for day to day company operations.

Codetermination has had little direct impact on shop floor conditions. In most cases worker representatives do not interfere in management's operation of the workplace. All collective bargaining is carried out on the state level between employers' associations and industry-wide unions. Non-wage issues such as dismissals or fringe benefits are determined by legislation. Joint participation on

supervisory boards does facilitate communication between management and labor and provides employees with a first-hand look at the internal workings of their companies.


Coal, Iron and Steel Industry (1951 law)
Supervisory Board (usually 11 members)
Chairman (neutral, chosen by other 10)
Shareholder Representatives
Labor Representatives
Proposed by management or shareholders
From slate of employees nominated by works council
From slate nominated by union, usually union officials
Elected by shareholders
Elected by employees
Supervisory Board elects
Labor Director must be approved by labor representatives
Management Board
Commercial Director
Technical Director
Labor Director
Marketing Director

Codetermination in West Germany. Source: Thomas Kennedy, *European Labor Relations* (Lexington, Mass.: Lexington Books, 1980), 187-189.

Works Councils represent the other major arena for employee work place involvement. According to West German law, every business with more than five workers must establish a council. All of its members must be employees. Elections are held every three years with both union and non-union workers eligible.

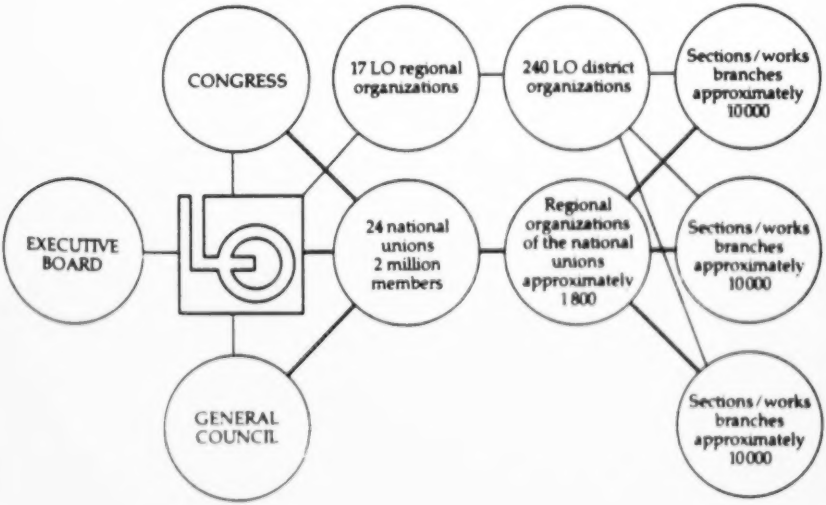
Works Councils play a major role in daily company operations. Employers must seek their approval on policies related to working hours, breaks, safety and health conditions, and bonus rates. In addition, they must consult with the councils on personnel practices related to work force reductions, the filling of job vacancies, vocational training, transfers, and the regrading of employees. A firm cannot even fire an employee until it consults with its council. If the introduction of robots in an auto assembly plant threatens the job of even one worker, works councilors can veto the proposal until adequate provisions are made for the employee at risk. A local conciliation committee selected by the council and by the employer resolves all disputes between the two groups. If the committee cannnot come up with an acceptable solution, the matter is referred to a state labor court.

While Japanese workers may be more involved than their German counterparts in dealing with immediate work site problems, they have far less say over the general process of corporate decision making. Codetermination and the Works Councils have given German wage-earners considerable leverage in dealing with their employers. At the same time these two systems have weakened the labor movement since most gains for working people have been made through legislation rather than through collective bargaining. If, at any point in the future, there is a dramatic change in government policy, German workers may find themselves without an effective means of influencing conditions on the job.

SWEDEN

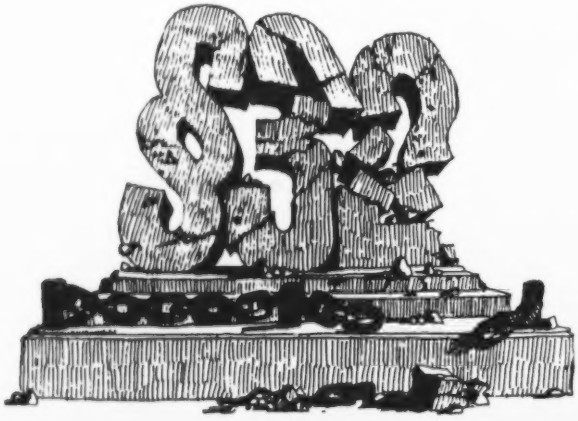
Unlike their German and Japanese counterparts, Swedish trade unions play a crucial role in their nation's industrial relations system. In addition to negotiating national and local contracts, they represent workers' interests on company boards of directors and on local shop councils. Sweden's labor movement has also taken the lead in pushing for greater democratic participation on the shop floor.

Structure of the Swedish Trade Union Confederation



A long term alliance between organized workers and the Social Democratic Party gave Sweden's trade unionists considerable input into the development of the country's labor policies. As early as 1906 they obtained union recognition and the right to collective bargaining. In 1938 the nation's major labor organization, LO, and its management counterpart, negotiated a voluntary agreement which banned unfair labor practices on both sides, established guidelines for contract negotiations and set general conditions for layoffs and terminations.

While such cooperation guaranteed a generally peaceful industrial relations climate in Sweden, it still left all decision making in management hands. In the 1960's and 1970's, the labor movement mounted a strong campaign to increase its role in work place planning and operation. Under the Act on Codetermination at Work, passed in 1976, a company cannot change any conditions of employment or subcontract out existing work without first getting the agreement of the local union or central union. Other legislation guarantees that any firm with more than twenty-five employees must have union representation on its board of directors. This provides union officials with valuable information on employer finances and practices.



The political fight during the nineteenseventies very much concerned industrial democracy. The power of the employers was symbolized in "§ 32" in the statutes of the Swedish Employers' Confederation, which says it is the right of the employer to employ and to dismiss workers and to conduct and to divide the work. Now "§ 32" is demolished piece by piece. Drawing Tor Lindmark.

The widespread involvement of workers and their unions in workplace decision making has contributed to Sweden's becoming a leader in the development of autonomous work groups. Unlike American experiments however, unions play a major role in the operation of such teams. Employees democratically plan all aspects of their work assignments. When internal problems develop within the teams, union officials are called in to settle disputes.

Building on this previous legislation, the adoption of the Weidner Plan in 1983 represented a further expansion of worker participation in Swedish industry. Under the plan, employer profits over a fixed amount will be taxed at a rate of 20 percent. These funds will be deposited in five employee investment funds and will be used to encourage industrial growth.

More worker participation both on the shop floor and on the corporate level has not made Sweden a worker's paradise. A weak economy, poor job prospects and general uncertainty for the future have created a growing sense of dissatisfaction among many workers, particularly the young. Despite these problems however, Swedish workers still have a much greater say over their immediate working conditions than do their counterparts in Japan, West Germany and the United States. The goal of labor-management cooperation in Sweden is to extend democracy, in its broadest sense, to the workplace rather than to act primarily as a vehicle for increasing productivity and corporate profits.

PART IV:

IF EMPLOYEE INVOLVEMENT ISN'T NEW IN THE U.S., WHY IS IT SO POPULAR NOW?

As we have seen, interest in forms of Employee Involvement has risen and fallen many times during the twentieth century. A number of social, political and economic factors have been responsible for these shifts, and this is also true of the present resurgence. We would be mistaken, however, if we did not identify rising competition as one of the major factors behind the recent proliferation of EI programs.

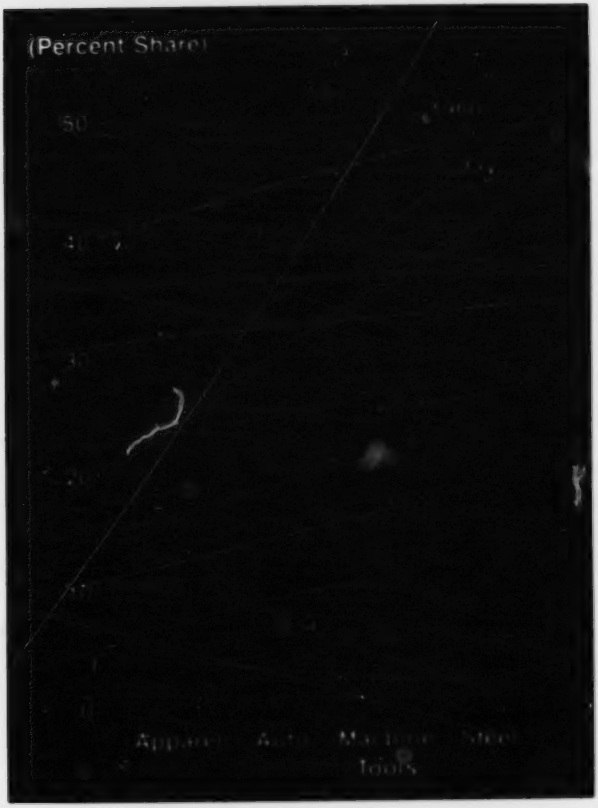
For example, this is perhaps most clear in the automobile industry, a sector of manufacturing which has seen a rapid growth of many types of Employee Involvement. As long as domestically produced cars were the only real option for most Americans, the big three auto companies set their own standards for quality and reliability. In fact, this lack of competition led auto manufacturers, particularly in the late 1960s and early 1970s, to focus primarily on cosmetic changes rather than on product quality.

This all changed dramatically in the 1970s, when, in the wake of a growing energy crisis, fuel-efficient Japanese cars began to flood the American market. Suddenly, American consumers had another standard of comparison and, much to the surprise of the auto companies, American cars did not measure up very well.

A similar process occurred in other areas of American manufacturing where products--which had once been seen as the standard for quality and durability--were increasingly regarded by consumers as shoddy and overpriced. Because most American firms had been immune from competition, many business commentators argued that American companies had developed inflexible and outmoded operations. This made them slow to respond to this increasing competition, making matters even worse.

One only has to look at the imported consumer items in the home--and the number of domestic plant shutdowns--to appreciate the magnitude of the problem. American manufacturers were being forced to seriously look at their products and production methods

for the first time in many years, and were thus forced to consider possible new solutions to their problems.



Skyrocketing Imports

This crisis in manufacturing was occurring in the context of a world wide economic recession. Although less serious than the crisis in manufacturing, services industries and the public sector were facing similar competitive pressures. With the trend towards privatization of work formerly performed within government, the public sector was forced to respond to competition to a degree

unheard of in the past. Like their counterparts in basic industry, they too were being forced to look at ways to become more productive.

Managers in the the public and private sectors responded to these pressures in a number of ways. Perhaps the first place American managers turned was to new technology. The rapid introduction of robotics into the auto industry and word processing in the office are clear examples.

They have also turned to American workers and asked them to shoulder part of these difficulties by foregoing wage increases and in many instances making demands for concessions. From the table below, it is apparent that few labor agreements in the last decade saw any major wage increases.

AVERAGE PERCENTAGE CHANGE IN WAGES PROVIDED BY MAJOR COLLECTIVE BARGAINING SETTLEMENTS, ALL INDUSTRIES, 1980 TO 1983

Compensation and wage adjustments	1980	1981	1982	1983
Compensation				
First year	10.4	10.2	3.2	3.4
Over life of contract	7.1	8.3	2.8	3.0
Wage				
First year	9.5	9.8	3.8	2.6
With COLA	8.0	8.0	2.2	1.9
Without COLA	11.7	10.6	7.0	3.3
Overlife of contract	7.1	7.9	3.6	2.8
with COLA	5.0	5.5	2.1	2.0
Without COLA	10.3	8.8	6.6	3.7

Source: Current Wage Development, Bureau of Labor Statistics, November 1984, table 15, p. 40.

At the same time that management was introducing these changes--and partly as a consequence--the trade union movement was experiencing its largest decline in this century. Union membership dropped from 25 percent in 1969 to less than 18 percent in 1986.

LABOR ORGANIZATION MEMBERSHIP IN SELECTED YEARS, 1969–1982

YEAR	TOTAL MEMBERSHIP OF LABOR ORGANIZATIONS (in thousands)	TOTAL MEMBERSHIP AS A PERCENTAGE OF WAGE AND SALARY WORKERS IN NON-AGRICULTURAL ESTABLISHMENTS	TOTAL MEMBERSHIP AS A PERCENTAGE OF LABOR FORCE
1969	20,776	29.5	25.0
1973	22,276	29.0	24.4
1978	22,757	26.3	21.9
1979	22,579	25.1	21.3
1980	22,366	24.7	20.6
1982	19,763	23.1	17.7

This is the context within which management turned to Employee Involvement. Recalling our earlier discussion of different models of Employee Involvement, it is clear that the American model is unlike the Japanese, German or the Swedish one. The German and Swedish models were initiated by larger social demands for more workplace democracy. Both were brought about through legislation and extend beyond shop floor issues. The Swedish model also grew in conjunction with a strong trade union movement.

The American model of Employee Involvement has more in common with the Japanese one, particularly to the extent to which both are primarily concerned with shop floor production issues. Typically, workers and managers work together to improve product quality and to increase productivity. Although there are exceptions, the vast majority of programs in the U.S. and Japan do not couple these shop floor concerns with larger issues of workplace democracy as do the programs in Germany or Sweden.

There are however, some important differences between the Japanese and American models. As we noted previously, Quality Circles have been a central part of rapid growth of Japanese industry. Not only have they been in operation for some time, but they fit well within the overall industrial relations philosophy in Japan. In the U.S., however, with the predominance of Taylorism and scientific management, Employee Involvement to a large degree is foreign to our management style. Although we have seen many U.S. experiments in Employee Involvement, it is clear that historically EI has not been an integral part of American industrial relations.

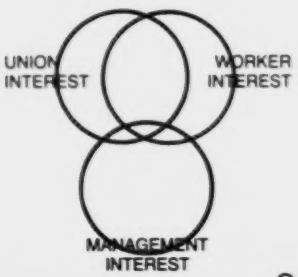
Unlike Japan, it was only when faced with economic difficulty that American employers and unions turned, often reluctantly, to Employee Involvement.

Thus, the American experience with Employee Involvement is unique. The present interest in the subject has been fueled primarily by managers in both the private and the public sector who are being forced to become more efficient and productive. Many programs therefore focus on improving employee morale and communication with management, with the ultimate goal of increasing efficiency and productivity.

And, many labor unions have been integrally involved in Employee Involvement, most notably the United Auto Workers and the Communication Workers of America. Irving Bluestone, a former officer of the UAW has been a key advocate for increased participation in the workplace. Nonetheless, we should recognize that the initial drive for Employee Involvement has come from management.

This is not to suggest that workers and their unions have nothing to gain through Employee Involvement. Besides keeping their jobs as a consequence of improving productivity, some workers do enjoy getting involved in EI to assist their employer. Yet, most workers participate in EI not because it *offers the company* something but because it *offers them* a way of gaining more respect, input and control over their jobs.

The union's goals in all of this are very close to the workers' because the union's function is to act as an advocate for workers' goals. Yet, they are not identical. As we will discuss in more detail later, unions can also use employee involvement as a way of building their institutional base and furthering their agenda.



As suggested in the diagram, these disparate goals of managers and workers and their unions need not be mutually exclusive. In fact, an ideal program should be designed to bring these goals together so that all parties can gain by participating in a program. Still, it should be be underscored that while having *elements in common*, the goals of the parties participating in EI are *not the same*.

It is important to keep these competing goals in mind as we consider the ways in which programs are negotiated between unions and management.

PART V:

SHOULD EMPLOYEE INVOLVEMENT BE PART OF MY UNION CONTRACT?

Just as there are many forms of Employee Involvement, there are at least four different ways that programs become established in unionized work places.

1). EI AS PART OF A NATIONAL AGREEMENT

A number of Employee Involvement program are part of a nationally negotiated agreement between a company and its union(s). It is often contained is a "Memorandum of Commitment" or some other attachment to the contract. These attachments do not spell out all the details of a program, but typically outline its direction in broad terms. For example, the agreement might specify whether the program would be a quality circle or a quality of worklife effort. Many of the programs in the automobile industry, for example, were instituted through national agreements between the United Auto Workers and several of the companies.

SAMPLE MEMORANDUM OF AGREEMENT

Memorandum of Understanding between Local Union No. 175, International Brotherhood of Electrical Workers AFL-CIO, and Midland-Ross Corporation, Electrical Products Division, Athens, Tennessee

This agreement is a supplement to the basic labor agreement between the Company and the Union, and can in no way invalidate or conflict with any of the provisions therein.

Section III. The Committee Structure

The heart of this plantwide incentive plan is participation implemented by the creation of joint committees of management and employees to promote increased productive efficiency. The committee structure includes production committees and a screening committee.

Production Committees

There shall be a production committee established for each of the following plant divisions or departments:

1. Stamping
2. Finishing
3. Assembly
4. Die Casting, Secondary and Screw Machines
5. Fittings Assembly
6. Material Handling
7. Maintenance
8. Tool & Die, Mchn Development
9. Office Department

2). EI AS PART OF A LOCAL AGREEMENT

Employee Involvement programs can also be developed on a local level, where a local union directly negotiates all or part of its contract with the employer. As in a national contract these agreements usually take the form of an attachment to the contract which specifying the form and content of the program.

3). EI AS PART OF AN INFORMAL AGREEMENT

Not all employee involvement programs exist because they were negotiated on a national or local level. In fact, the majority begin as an informal agreement between management and a union. As was discussed in the previous section, most typically an employer approaches a union with a proposal. It may simply be a verbal agreement or may be more similar to what is contained in a negotiated contract.

Oftentimes, if the program is successful or if it creates no problems, it is incorporated into the contract at the next negotiation. Yet, there are many programs that continue to run based on informal agreements.

4). EI AS A UNILATERAL DECISION OF MANAGEMENT

Regrettably, there are also instances where management institutes a form of Employee Involvement without the permission or the involvement of the local or national union. These programs are not instituted to elicit coopera-

tion but can be part of an attempt to weaken a local union. Additionally, as was the case in the Johnson and Johnson plant in New Mexico, the Nissan plant in Tennessee, and the Honda plant in Ohio, EI has also been used effectively to thwart organizing drives.

Each of these four ways of instituting Employee Involvement programs have different strengths and weaknesses from the perspective of unionists. While national agreements draw from the expertise of labor and management at the top levels of their respective organizations, it is in the implementation of the program at the local level where difficulties may occur. First of all, local union officials and/or local management may have different philosophies about a program of cooperation than their national counterparts.

For example, the QWL program between Xerox and Local 14B of the Amalgamated Clothing and Textile Workers Union (ACTWU) was initiated by the chairman of the board of directors. Although the program ultimately turned out quite successful, the first two years proved quite difficult because first line supervisors regarded the changes as interference from the board. Clearly, no EI effort designed at the national level is going to be successful unless both the management and union at the local level believe in the program and work to make it operational.

A QWL program cannot in the long run succeed or survive without the active and growing involvement of all levels of managers and union personnel.

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In this way, programs designed and implemented on a local level may be more in harmony with local conditions than those negotiated on a national level. At the same time, however, they may not be designed or implemented with the the full range of possibilities in mind. Furthermore, local agreements should be examined carefully to ensure that they do not violate national agreements or policies that many International Unions have established.

Programs that are based on informal agreements likewise can be very flexible. Yet, as trade unionists over the years have learned, items not part of the agreement may be arbitrarily changed with little consultation from management. An informal agreement may be a perfectly acceptable way to begin labor-management cooperation, yet trade unionists should explore other options if they wish the program to become permanent.

Moreover, in many of these informal programs, important issues involved in EI are not thought completely through. Although there might be enough preparation to begin a program, a solid foundation has not been laid for long standing program. In particular, since the different parties involved in EI have different goals, careful preparation and articulation of the issues is fundamental for program survival.

Finally, agreements begun unilaterally by management should be monitored very carefully by trade unionists. As noted above, they may be attempts to weaken the local union. If this is the case, it may be possible to file charges with the Labor Board or take other appropriate action through the grievance procedure. Given the destructive potential of such a program on the local union, every effort should be made to inform rank-and-file workers of the possible dangers.

PART VI:

HOW WILL THE IMPLEMENTATION OF AN EMPLOYEE INVOLVEMENT PROGRAM AFFECT MY LOCAL?

How an Employee Involvement program will affect your local will depend of course on the type of program, its success, and the nature of your local union. There is also disagreement among both the experts in the field and many major international unions regarding the effects of Employee Involvement. Thomas Kochan, for example, is much more optimistic than Mike Parker about the long-term effects of Employee Involvement (see references). International unions like the Communication Workers and the United Auto Workers have strongly endorsed Employee Involvement for its positive effects, while unions like the Machinists and the United Electrical Workers have been strongly critical of EI, stressing its negative implications.

Regardless of the long-term implications, the initiation of an Employee Involvement program typically creates some problems that will need to be worked out if program is to survive. This is not to suggest that each of these difficulties will occur every time, but they are situations to be on the look out for.

1). REGARDLESS OF THE UNION'S INVOLVEMENT, THE PROGRAM WILL BE SEEN AS A MANAGEMENT PROGRAM

No matter how much a local or national union may cooperate with management to institute a program, it is rare that they receive recognition for their participation either by rank-and-file workers or, for that matter, by management. This is especially true if the program is very successful. Like blood drives, community service, and other voluntary programs, trade unions rarely get credit, even if they are the original organizers. This need not be a major problem, but trade unionists need to recognize at the onset that they will probably receive little recognition of their efforts.

2). **IN THE SHORT RUN, AN EI PROGRAM WILL INCREASE THE WORKLOAD OF THE LOCAL UNION**

Although there may be considerable enthusiasm at the initiation of an EI program--among both workers and union officials--the start of such an effort rarely makes the operation of a local union easier in the short run. Many strong advocates of EI suggest that effective programs will reduce the grievance rates and improve the labor management climate, yet this cannot happen overnight. Regardless of how well the program is designed and implemented, a number of issues need to be worked out and problems are likely to surface. These problem areas will undoubtedly require staff time of the local union and its officers.

3. **CONFUSION MAY ARISE BETWEEN THE GRIEVANCE PROCEDURE AND THE EI PROGRAM**

Trade unionists should be aware that rank-and-file workers may very well confuse the operation of the local union and an EI program. For example, who should a worker go to with a problem: the union steward, or his or her representative to the quality circle?

Although this may be clear to program designers and well-informed union members, this distinction is not always as clear to the average worker. It is not unusual for a local union to notice that its steward system initially becomes less effective given the existence of a parallel structure that might serve as a forum for shop floor problems.

What I dislike most about it--I was getting things done and then a week or two later I would read it in the QWL minutes that the QWL panel had successfully gotten this taken care of. When in fact I had done it. They took it right away from me.

Grievance Rep., interviewed by Ellinger and Nissen (1987:204)

In theoretical terms, most agreements between unions and employers specify that employee involvement programs are forbidden from discussing contractual issues. Therefore, if the problem has something to do with the administration of the contract, then the steward is the appropriate person to contact. If it is something that is non-contractual--concerning the production of a given item, for example--then the worker should contact the quality circle representative.

4). **THE DISTINCTION BETWEEN CONTRACTUAL AND NON-CONTRACTUAL ISSUES MAY BE DIFFICULT TO MAINTAIN**

Realistically, it is considerably difficult to keep contractual and non-contractual issues separate when a workplace has an EI program. Rank-and-file workers, as well as facilitators, may have less knowledge of the contract than desired. As we will discuss shortly, one strategy to

offset this difficulty is for the local union to closely monitor EI programs to ensure that collective bargaining issues are not discussed.

Some of the issues being discussed [in the participation program] are in violation of the national agreement and the union's rights as exclusive bargaining agent. The younger people are giving away gains that have been won through much struggle and hardship in the past.

Union official, interviewed by Kochan(1986:141)

While not denying the need to closely follow the activities of an EI program, the local union might additionally use these situations to its best advantage. For example, a local union could identify potential future grievance problems or contractual areas for future negotiation based on the discussions occuring in EI groups.

Furthermore, some trade unionists have argued that there is a need to go beyond this, that the activities of of an EI program open up new areas for collective bargaining that previously were seen as outside the scope of the contract. Whether or not this is possible ultimately depends on the strength of the local union and its ability to be an equal participant in Employee Involvement efforts.

5). **THE UNION MAY BECOME IMPLICATED IN WHAT WERE FORMERLY MANAGEMENT DECISIONS.**

This blurring of the line between the operation of the local and the employee involvement program can have

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. . . Union empowering programs must be designed to deal with all levels and areas of management decision-making, most of which are currently off limits to collective bargaining.

Grenier and Banks (1987:27)

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another negative effect on the function of the local union. Through its involvement in the program, the union is often asked to share responsibility for what were formerly solely management decisions. For example, the reassignment of work, certain forms of discipline, and evaluations--which were always part of management's prerogative--may now be seen as the responsibility of both the company and the union. In some instances, this has been used as a method of implicating the union in unpopular decisions.

. . . Management printed a handbill that had our union logo on the front and top . . . It was titled "A Winner: A focus on Us and Our Quality of Worklife." The handbill led you to believe that the union and management had agreed it was in our best interest to outsource our work. As I stated, I am opposed to outsourcing at any time . . . It would appear that management is trying to turn Quality of Worklife into a total management program to propagandize the membership.

Union official, quoted in Ellinger and Nissen (1987:203)

If trade unionists can anticipate and/or solve the initial problems discussed above, then the program is most likely on its way to becoming firmly established. The initial stages of a program can be quite trying, yet are necessary if the program is going to have an positive long term effects.

PART VII:

IF THERE ARE SOME POTENTIAL THREATS, ARE THERE WAYS TO SAFEGUARD OUR UNION AND ENSURE THAT THE PROGRAM SERVES OUR INTERESTS?

Even if it is not part of the contract, it is important to recognize that an Employee Involvement program is still part of the collective bargaining process. In other words, it is subject to negotiation, whether formally or informally. Thinking of it in these terms often helps trade unionists to understand something new in familiar terms.

As trade unionists know, the key to securing the best contract possible is careful research and **PREPARATION** for bargaining. What can the employer afford to pay? What are the industry-wide wage rates? These are just a few of the questions that need to be addressed prior to bargaining. Furthermore, the contract itself will be successful if it is **DESIGNED APPROPRIATELY**, and if it is **DILIGENTLY MONITORED** and enforced by the local union. As many new union stewards find out, a contract is only as strong as the union's ability to enforce it through the grievance procedure.

In similar fashion, the Local or International needs to **PREPARE** prior to the establishment of an Employee Involvement program. Central to that preparation is an examination of how the program should be **DESIGNED** and structured. Finally, once in place, the program needs to be **MONITORED**, much the same as the contract. In preparing and designing the best possible program, some of the important issues to consider include:

1). **THE UNION MUST FIRST ARTICULATE ITS GOALS AND OBJECTIVES FOR THE PROGRAM**

Most likely, management has already articulated what they see as the benefits of the program. They should not, however, be the ones to decide on the unions goals and agenda. Understanding and taking into account management goals, the local or international needs to fully form and express the workers' and the union's objectives in an Employee Involvement program.

In addition to specific issues, the general relationship with management as well as the strength of the local itself need to be taken into account. Clearly a local that has just undergone a change in leadership or is weak due to layoffs, needs to be more concerned with possible negative effects. A more powerful local, on the other hand, might articulate objectives which are part of an overall offensive strategy.

The important thing to remember, though, is not to let management decide what issues are important to unionists. The more precise you are on your goals from the onset, the more likely the program will work to your benefit. In the long run an estra effort to clearly state your goals will provide the best foundation possible for the overall program to succeed.

2). TRADE UNIONISTS NEED TO CONSIDER WHAT FORMAL STRUCTURE BEST SUITS THEIR GOALS AND OBJECTIVES

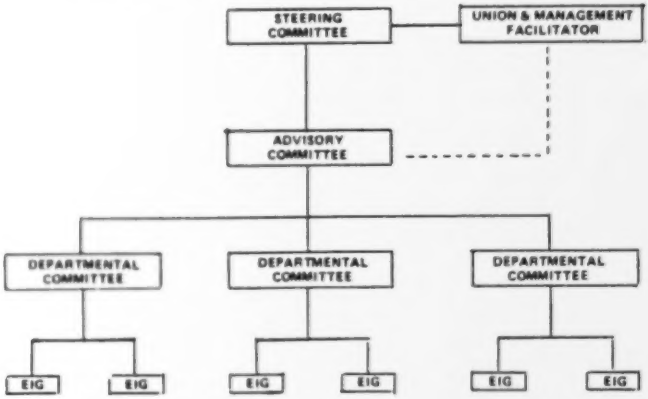
In most cases, the employer has already decided the general direction of the program. For example, the company's officials know whether it is going to be a Quality Circle or a Pay-For-Knowledge program. Nevertheless, there is great variety among programs and the union needs to look carefully at how the formal structure will affect the operation of the program.

Most programs have an overall governing board, often called a **STEERING COMMITTEE**. Like other aspects of the EI program, the makeup of the steering committee is subject to "collective bargaining." In most cases trade unionists support the concept of an equal division between management and the union, with officials of the local serving on the committee.

In addition to the steering committee, the union needs to understand how the program fits into the manage-

ment structure. Will top level managers sit on the committee? Will it report to Labor Relations or directly to the plant manager? Although formal structure does not tell us everything about a program, it does indicate its directions. Trade unionists faced with EI need to understand the formal aspects of the program and bargain whenever possible for the best structure.

The structure of E.I.P. is as follows:



3). WILL AN OUTSIDE CONSULTANT BE USED TO IMPLEMENT THE PROGRAM?

Some EI programs may be designed, implemented and administered completely "in-house," usually by the human relations department or occasionally by some other part of management. However, many times management will rely on a consultant or consulting organization to administer much of the program. And here trade unionists will need to review and evaluate the work of the consultant carefully, much like one would evaluate the past work of an arbitrator.

Although your local or international may not be in a position to reject a consultant outright, it is perfectly within your rights to review information on the past per-

formance of the consultant, and to raise that issue with company officials. Besides the employer, your international, labor council or the National AFL-CIO may be able to provide useful information.

The Consultant

Quality Circles usually involve an outside consultant who sets up the program and conducts problem solving training for members of the Circles. In negotiating everything about a Quality Circle program, the union should insist on the right to evaluate and, if need be, reject the employer's choice of consultant.

We recommend the following in evaluating a consultant:

– Ask the consultant for union references who can provide first-hand testimony about other programs with which the consultant was involved. Be sure to talk with the references about their view of the consultant and his programs.

– Some quality of work life centers have both union and management representation on their boards. Is the consultant associated with such a center? If so, contact the union board members.

– If a local college or university labor education center conducts training programs for your union, ask a sympathetic instructor there what he knows about the consultant.

– Have the union's executive board interview the consultant. While most consultants will tell you what you want to hear, see if the consultant really understands the concerns of the union and your members. How does the consultant describe the Quality Circle program? Does he only talk about better productivity and product quality, or does he also mention quality of worklife issues? Does his main concern seem to be selling the program and making money or does he seem genuinely interested in improving the workplace for all concerned?

– Contact the Industrial Department. In some cases we can provide background on a consultant. Also, send us any information you receive on a consultant so we can add it to our files and use it to help other Councils and Locals.

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4). WILL THE PROGRAM EMPLOY FACILITATORS? IF SO, HOW?

In addition to--and sometimes in place of--consultants, many EI efforts employ **FACILITATORS** who are responsible for much of the actual training and day-to-day

FACILITATOR: A UNION DEFINITION

Management may be unhappy when the union defines the union-appointed facilitator's job. GM management, for example, became upset when Wendy Thompson, a UAW Local 235 committeeperson (steward), put out a leaflet asking for nominees for plant Trainer (facilitator). In the leaflet Thompson included her view of the duties of the Trainer. Most are simply duties of every good union member:

- To represent the union within the Quality of Work Life Concept and work with the District committeeperson as a team.
- To attend all [QWL] meetings.... To help each [group leader] solve that group's problems in order to create a better working environment.
- To report regularly to the committeeperson about problems that continue without solution.
- To make the committeeperson aware when her presence is needed in Circle meetings.
- To organize weekly [group leader] meetings.
- To attend General Membership meetings....
- To represent the Union and Plant 3 members at any plant-wide QWL meeting or off-site QWL meeting.
- To have knowledge of employee rights under the contract so as to serve as a watchdog against management abuse of [QWL].

We need someone who is aggressive and dedicated to making sure work becomes a more satisfying experience.'

operation of a program. The choosing of Facilitators and their actual authority and status--their position in the chain

of command, in other words--varies widely. Again, in the ideal situation, the local union should have equal power in selecting the Facilitator. For example, a common structure in programs jointly run by AT&T and the International Brotherhood of Electrical Workers (IBEW), is for the local to be able to reject any given candidate.

The status of a Facilitator and who he or she reports to is important to the local union. As Parker notes, few unions have much authority over Facilitators, who are typically seen as part of management. This is the case in the LMPT programs in the Steel Industry, where the local has little power to remove a Facilitator once appointed.

Thus, the local may not have the direct ability to structure the facilitators position differently. Nonetheless, it is crucial that trade unionists understand the power of the facilitator and make every effort possible to ensure that he or she understands the union's goals and agenda.

5). **SOME MECHANISM TO HANDLE JOB-LOSS, AND/OR INCREASED PROFITABILITY OR PRODUCTIVITY NEEDS TO BE ESTABLISHED**

Gain-sharing programs spell out in some detail how "savings" are to be distributed to employees. Few other programs, however, specifically address this issue. Most of them do specific that "No jobs will be lost," as a consequence of an EI program. Yet, as many trade unionists have discovered, that general language is not enough by itself. Besides, job loss is not the only issue. For example, if a QC effort is successful at saving a large amount of money in production costs, where should that money go? What should circle members, or bargaining unit members, receive?

There are few easy answers to these questions. Nevertheless, they need to be addressed in the planning stage of a program, not after its establishment when resentment by rank-and-file workers begins to develop.

6). **THE PROGRAM SHOULD HAVE A MECHANISM FOR EVALUATION**

The union should make sure that the implementation of the program involves some form of **REGULAR EVALUATION.** Your management (and a consultant if they are involved) should also propose this. It is to everyone's benefit to be able to evaluate the program after some period of time to see if it has met some of its goals. Given the different aims involved in employee involvement it is important for workers and unions to see if *their* goals have been met, in addition to management's.

We also see self-evaluation as important for each work team and each level of steering committee. We encourage people to think about what they are trying to accomplish, over what time period, and how they want to evaluate themselves as part of their learning process.

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Besides assuring that the program is set up and evaluated appropriately, it needs constant monitoring by the local union. The next section will discuss some of the options available for a trade union in terms of its level of participation in an employee involvement program. This level will, to a degree, affect how the program will be monitored, both formally and informally. Some locals, for example, may want to have stewards and officials as participating members; other unions may want to keep a greater distance from the actual operation of the program. Regardless of the stance adopted, the local union must stay on top of how the intended results, on the abstract level, are working out on the practical level. As in the grievance procedure, small problems may fast become large ones if they are not dealt with swiftly and effectively.

PART VIII:

IF THERE ARE SO MANY POTENTIAL PROBLEMS, SHOULDN'T WE STEER CLEAR OF EMPLOYEE INVOLVEMENT ALTOGETHER?

Thus far, we have been advocating strong union involvement in the initial stages of an Employee Involvement program, both in articulating a union position, and in bargaining for the best program possible. This position is a consequence of recognizing the popularity of EI programs, their strong appeal to rank-and-file members, and the possibility of using EI programs for union-building. Nevertheless, this is not the only, or indeed, necessarily the best option available. There are at least two other choices available.

1). REFUSING TO PARTICIPATE

There are situations where, from the first proposal, that trade unionists will recognize that an employee involvement program is being instituted in bad faith, or being used to threaten and harass the local union. In these cases, the only viable option is to refuse to participate. As discussed previously, depending on the nature of the threat, appropriate action should be taken through the grievance procedure or the labor board.

In other cases, these bad intentions may only become apparent only after negotiation of program details or once the program is in place. Here too, the only option available to the union is to withdraw. In practice, however, refusing to participate, or withdrawing too early in the development of an EI program, turns out to be full of problems for at least two reasons.

First of all, the appeal of Employee Involvement to rank-and-file workers should not be underestimated. For workers who have had little input into decision-making, the attraction of EI is quite strong. To have their union take

away this promise of more involvement may cause serious credibility problems for the union.

. . . Between 67 and 96 percent of these union members want some or a lot of say over the way work is done or the methods and procedures used to perform their jobs. Similarly, between 79 percent and 96 percent want some or a lot of say over the quality of the work produced and between 67 percent and 88 percent want this much influence over the pace of work.

Kochan (1986:107)

Second, a union should give serious consideration to the public relations aspect of refusing to participate in what is ostensibly an effort to cooperate. If a local does decide not to become a partner it should, at the very least, be able to explain its reasons for not participating in a clear and reasonable way.

Consequently, refusing to participate or withdrawing from an EI needs to be an informed and calculated decision on the part of the union, done after careful consideration and with the full understanding of the rank and file.

2). **DISTANT INDIFFERENCE**

Many unionists have discovered that the best way to approach a poorly designed program with little probability of success is with **DISTANT INDIFFERENCE**. This is not to suggest that the program should not be closely watched. Even a poorly designed program with little future can have an adverse effect on the operation of the local. Yet, letting a program "fail on its own" is often the best strategy to take. By keeping its distance, the local will not suffer the negative effects of a vocal opposition to the program, and will also not have to account to the members for its failure.

PART IX:

IF WE DO GET INVOLVED, WHAT SHOULD WE EXPECT THE FIRST YEAR?

Given the substantial desire on the part of workers to participate in decision-making on the job, and the great interest of employers in boosting their productivity and quality in this era of turbulent economic difficulties, it is extremely easy to have unrealistic expectations from Employee Involvement. While unbridled enthusiasm can drive the initial phases of a program, it can also ultimately bring down what is otherwise an excellent program with much promise because people can expect too much too soon.

It is important to remember that participation, whether in the workplace or in the larger society, is not an object, but rather a process. Regardless of how much each side wants to change its way of working and relating to each other, attitudes produced by a century of authoritarianism in the work place cannot be changed overnight. To try to do so would mean certain failure. A better approach during the initial stages of a program might be to view it as a re-learning process which will, hopefully, become firmly established at some future point. If we accept this process view, what can be expected of an Employee Involvement program in the first year?

1). DESIGN AND COMPLETION OF A TRAINING PROGRAM

Part of getting the process of Employee Involvement firmly established is through training. Again, the type of training will vary widely from program to program. Trade unionists need to ensure that union participants, as well as the employer's, receive proper training. Many programs offer joint training for both union members and management. If the local believes that its members are not getting adequate training in areas more closely tied to its concerns, for example, the union might consider sponsoring its own training and education

program. This is particularly appropriate in situations where unions have little control in an EI program.

As in other parts of the program, the results of the training need to be evaluated by the local. Because the training often sets the tone and direction of the effort, it needs to be monitored.

QWL training goes beyond instruction in problem-solving techniques. The training is also designed to change the way group members think--about their work, about themselves, about their relationship to management and their union.

Parker (1985:15)

The initial training should be designed, implemented and completed in the first year. You may want further training at a later date, but it is important to get on with the real work of a quality circle or QWL program before too much time has gone by. One of the most common complaints about EI implementation is that meetings and training are fine for a few months, but participants become impatient and want to see results.

2). COMPLETION OF AT LEAST ONE PROJECT

For a program to be seen as credible and more than just public relations gimmick it must be able to demonstrate its utility. The best way to do this is to complete a project or solve some set of problems within the first year of the program.

Recalling our earlier discussion about the ease of being over zealous about EI, it is far better to work on one or two projects to their completion than to try to restructure the work place in one year. At the initial stages it is more important to get the PROCESS working.

3). PROGRAM EVALUATION

No matter how carefully the program is designed, when it is implemented, it will encounter a host of issues, problems and difficulties that never occurred to you. Like the union contract, there are many interpretations that need to be worked out over the first year.

The purpose of an evaluation is to be able to look **SYSTEMATICALLY** at the program and identify problems areas so that they can be addressed as soon as possible.

PART X:

CONCLUSIONS

As we have seen, labor-management cooperation is not a new idea, either in the United States or overseas. The present level of interest in Employee Involvement, however, is unprecedented in American history. Regardless of the final outcome of these efforts, they have already had a profound impact on the nature of industrial relations in this country.

Trade unionists should become more knowledgeable about Employee Involvement and its potential impact on their local union. They must understand its strength and weaknesses before a program is put in place. As we have argued throughout, a local union must be more than a passive player in Employee Involvement and needs to articulate clear positions and goals.

In order for Employee Involvement to succeed, there must be true equality between the unions that represent workers and management. Employee Involvement works best where labor-management cooperation does not interfere with existing collective bargaining agreements. When employers accept unions as partners in the workplace, it is possible to develop programs from which all parties involved can benefit. That, after all, should be the goal of all Employee Involvement efforts.

RESOURCES

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Ellinger, Charles and Bruce Nissen. "A Case Study of a Failed QWL Program: Implications for Labor Education," *Labor Studies Journal* ll(Winter 1987), l95-219. (A short and readable account of why programs fail.).

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Hays, Robert H. and William J. Abernathy. "Managing Our Way to Economic Decline," *Havard Business Review*, 58:66-77. (The seminal article documenting the flaws in American management).

Kochan, Thomas A. Harry C. Katz and Nancy R. Mower. *Worker Participation and American Unions: Threat or Opportunity*. Kalamazoo, Michigan: W.E. Upjohn, l984. (Commissioned by the Industrial Union Dept of the AFL-CIO, a optimistic account of three programs.)

Parker, Mike. *Inside the Circle*. Boston: South End Press, l985. (Takes a critical stance on Employee Involvement, but written especially for trade unionists.)

Simmons, John and William Mares. *Working Together*. New York: Alfred A. Knopf, 1983. (One of the few general reviews of Employee Involvement which deals with trade union issues.)

A number of materials are available from the Bureau of Labor-Management Relations at the U.S. Department of Labor. They include *Perspectives From the Labor Movement*, *Labor Relations Today* (a bi-monthly publication), and regular *Reports on Significant Events*. Most are free and available from :

Bureau of Labor-Management Relations
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